

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries and Commerce Department – Extension of certain incentives under Apparel and Textile Policy 2015-20 M/s. Texport Industries Pvt. Ltd.–Proposal to set up an Integrated Knitting and Apparel Zone in Andhra Pradesh Industrial Infrastructure Corporation (APIIC) Industrial Estate, Hindupur Mandal, in Ananthapuramu District – Orders- Issued.

INDUSTRIES & COMMERCE (POLICY & INVESTMENT) DEPARTMENT

G.O.MS.No. 171

Dated: 09-12-2016
Read the following:-

1. Letter from M/s. Texport Industries Pvt. Ltd., Dt:06.08.2016.
2. Email from M/s. Texport Industries Pvt. Ltd., Dt: 24.10.2016.
3. G.O.Ms.No.10, Ind. and Com. (Prog.II) Dept. Dt.11.01.2016.
4. Empowered Committee Meeting on 26.10.2016.
5. State Investment Promotion Board Meeting on 28.10.2016.

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O R D E R:-

In the letters 1st and 2nd read above M/s. Texport Industries Pvt. Ltd. has informed that they Propose to set up an Integrated Knitting and Apparel Zone in Andhra Pradesh Industrial Infrastructure Corporation (APIIC), Industrial Estate, Hindupur Mandal, in Ananthapuramu District with a total investment of Rs.152.05 crores and this project is likely to create employment for around 2,500 persons directly and many more indirectly.

2. The Company has requested for the following incentives:

- (i) Requested that the proposed garmenting unit (to be established during Phase II with an investment of INR 38 Cr.) be provided with one- time capital grant of Rs. 4 crore as per the Textile Policy 2015-20.
- (ii) Request for a one time capital subsidy/grant of 50% of the capital expenditure for setting up of Common Effluent Treatment Plant (CETP) that is proposed at a total investment of Rs 16.26 Cr., which will be Rs 8.13 Cr. subject to a limit of Rs 10 Cr.
- (iii) Power tariff subsidy of Rs. 1.50 per unit over a period of 7 years from the date of commencement of the commercial production.
- (iv) Fixed water tariff at Rs 25 per KL over a period of 7 years from the date of commencement of commercial production. Project's daily requirement of water will be 1.50 MLD. 0.75MLD will be available from the treated water of CETP while the balance 0.75 MLD is requested to be provided by APIIC.
- (v) Providing industrial power through a dedicated 33 kV Feeder at doorstep of project site as part of external infrastructure assistance under IIDF at a cost of Rs.2.0 crore
- (vi) Sale deed to be executed as per the extant policy of the Government i.e. on implementation of the Project.

(P.T.O)

3. In the reference 2nd read above, the Empowered Committee of Secretaries has discussed the proposal of M/s. Texport Industries Pvt. Ltd, and recommended for extending the following incentives:

- (i) Power cost reimbursement @ Rs. 1.50 per unit for a period of 5 years from the date of commencement of commercial production and extendable to another 2 years, on satisfactory performance of the unit, since the unit is being located in Ananthapuramu, which is a backward District.
- (ii) Water supply at a concessional rate of @ Rs. 25 per KL to the unit for 5 years.
- (iii) 100% of External Infrastructure Assistance for 33KV dedicated power line estimated at Rs.2.00 Crore or the actual, whichever is less.
- (iv) To execute the sale deed after implementation of the project, as per APIIC regulations However, APIIC shall provide necessary support in the company's endeavor to raise loans from FIs.
- (v) APIIC to provide the following infrastructure to Gollapuram, APIIC, IE to meet the future requirement of water and accommodate transport of goods from the factories located in the Estate.
 - (a) Widening and strengthening of approach road from Thumukunta Junction till project site (5.5 KM).
 - (b) To enhance the capacity of water storage in the estate to meet the requirements of the units.

4. In the reference 4th read above, the State Investment Promotion Board (SIPB) have discussed the proposal of M/s. Texport Industries Pvt. Ltd., in detail and decided to extend the following incentives:

- (i) Power cost reimbursement @ Rs. 1.50 per unit for a period of 5 years from the date of commencement of the commercial production and extendable to another 2 years, on satisfactory performance of the unit, since the unit is being located in Ananthapuramu, which is a backward District.
- (ii) Water supply at a concessional rate of @ Rs. 25 per KL to the unit for 5 years.
- (iii) 100% of External Infrastructure Assistance for 33KV dedicated power line estimated at Rs.2.00 Crore or the actual, whichever is less.
- (iv) To execute the sale deed after implementation of the project, as per APIIC regulations However, APIIC shall provide necessary support in the company's endeavor to raise loans from FIs.
- (v) APIIC to provide the following infrastructure to Gollapuram, APIIC, IE to meet the future requirement of water and accommodate transport of goods from the factories located in the Estate.
 - (a) Widening and strengthening of approach road from Thumukunta Junction till project site (5.5 KM).
 - (b) To enhance the capacity of water storage in the estate to meet the requirements of the units.

(Cont..3)

5. The Government after careful consideration of the recommendations of the State Investment Promotion Board hereby extend the following incentives to M/s. Texport Industries Pvt. Ltd., in addition to the incentives granted in G.O. Ms. No.10, dt:11.01.2016 for their Integrated Knitting and Apparel Zone in Andhra Pradesh Industrial Infrastructure Corporation (APIIC) Industrial Estate, Hindupur Mandal, in Ananthapuramu District with a total investment of Rs.152.05 crores and this project is likely to create employment for around 2,500 persons directly and many more indirectly:

- (i) Power cost reimbursement @ Rs. 1.50 per unit for a period of 5 years from the date of commencement of the commercial production and extendable to another 2 years, on satisfactory performance of the unit, since the unit is being located in Ananthapuramu, which is a backward District.
- (ii) Water supply at a concessional rate of @ Rs. 25 per KL to the unit for 5 years.
- (iii) 100% of External Infrastructure Assistance for 33KV dedicated power line estimated at Rs.2.00 Crore or the actual, whichever is less.
- (iv) To execute the sale deed after implementation of the project, as per APIIC regulations However, APIIC shall provide necessary support in the company's endeavor to raise loans from FIs.
- (v) APIIC to provide the following infrastructure to Gollapuram, APIIC, IE to meet the future requirement of water and accommodate transport of goods from the factories located in the Estate.
 - (a) Widening and strengthening of approach road from Thumukunta Junction till project site (5.5 KM).
 - (b) To enhance the capacity of water storage in the estate to meet the requirements of the units.

5. The Director of Industries, Andhra Pradesh, Hyderabad shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SOLOMON AROKIARAJ
SECRETARY TO GOVERNMENT & CIP

To

The Director of Industries, Andhra Pradesh, Hyderabad.

The The Vice Chairman & Managing Director, APIIC Ltd., Vijayawada.

M/s. M/s. Texport Industries Pvt. Ltd. through the Director of Industries, Andhra Pradesh.

Copy to

The Finance (FMU-Rev-IC) Department

The Water Resources Department

The Energy, Infrastructure and Investment Department

(P.T.O.)

The Transport Roads and Buildings Department
The Revenue (CT) Department.
The Revenue (Registration) Department.
The Law (H) Department.
The IT & Electronics Department
The Director of Handlooms and Textiles, Mangalagiri.
The Collector & District Magistrate, Anantapuramu District.
The General Manager, District Industries Centre, Anantapuramu District.
The Zonal Manager, APIIC, Anantapuramu.
The Accountant General, Andhra Pradesh, Vijayawada
The Commissioner of Commercial Taxes, Vijayawada
P.S. to Secretary to Chief Minister
P.S. to Chief Secretary to Government
P.S. to Secretary to Government & CIP, Industries & Commerce Dept.
SC/SF.

//FORWARDED :: BY ORDER//

SECTION OFFICER